

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
Richmond Division**

ePLUS INC.,)	
)	
Plaintiff,)	Civil Action No. 3:09-CV-620 (REP)
)	
v.)	
)	
LAWSON SOFTWARE, INC.,)	
)	
)	
Defendant.)	

**PLAINTIFF *ePLUS* INC'S OBJECTIONS TO DEFENDANT'S COUNTER
DEPOSITION DESIGNATIONS, COUNTER-COUNTER DESIGNATIONS AND
REVISED SUMMARY OF THE DEPOSITION OF KRISTY OLIVER**

Plaintiff, *ePlus*, Inc. ("*ePlus*"), through counsel, hereby submits the following specific objections to Defendant Lawson Software, Inc. ("*Lawson*")'s Counter-Deposition Designations of the deposition of Kristy Oliver and offers the following counter-counter designations and revised summary:

Specific Objections

Defendant's Counter Designations	<i>ePlus</i> 's Objections to Defendant's Counter Designations	<i>ePlus</i> 's Counter-Counter Designations
12:20-22		
13:9		
18:4-9		
19:23-20:7	602; 701	
26:17-27:3		
38:25-39:10		
47:5-12		
51:5-16		
54:5-17		

Defendant's Counter Designations	ePlus's Objections to Defendant's Counter Designations	ePlus's Counter-Counter Designations
56:18-21	602	
73:7-24	602 (73:17-24)	
132:12-16		

Revised Summary

Kristy Oliver is employed by Blount Memorial Hospital (“BMH”) in Maryville, Tennessee. 6:21-22. She is the Director of Materials Management and Home Medical Equipment. 10:6-8. On March 11, 2010, Ms. Oliver testified on behalf of BMH in response to a subpoena served on BMH by ePlus seeking documents, deposition testimony, and a demonstration of the Lawson S3 Supply Chain Management software that BMH purchased from Lawson.

The Materials Management group at BMH uses the Lawson procurement suite that includes Requisitions Self-Service (“RSS”). The suite also includes Inventory Control, Requisitions, Purchase Order and Contract Management. 11:20-12:12.

Though BMH does not license Procurement Punchout from Lawson, BMH began implementing the Lawson procurement suite in June 2008 and went live with the production module on January 1, 2009. 12:23-13:2. BMH decided to license the Lawson procurement suite because it allowed BMH to maintain an Item Master List and because it provided a paperless interface for creating requisitions and automatically generating purchase orders based on those requisitions. 13:10-14:1.

When searching for a new procurement suite, BMH created a Request for Proposal (“RFP”) that was issued to McKesson, PeopleSoft and Lawson. 14:2-8. In the RFP, BMH mentioned that it wanted (1) to be paperless, (2) an inventory control system to automatically generate orders based on what had been requested and received in BMH’s inventory, (3) an Item Master list to help control costs, and (4) a contract management system. 15:3-14. While BMH was considering the proposal made by Lawson, Lawson visited BMH and provided a demonstration of its procurement software. 36:20-37:2.

One reason BMH chose Lawson is because the Lawson Item Master stores a variety of data for each item including the vendor, unit of measure, a description of the item, the manufacturer item number, the cost of the item, the manufacturer description, a purchasing class and an inventory class if applicable. 15:15-16:16; 17:18-18:3. BMH users can search the Lawson Item Master through the “Catalog Search” functionality in RSS and add items to a shopping chart and checkout. 19:14-22. Upon checkout, purchase orders are then generated for the items that have been requisitioned. 20:20-22:7. The Item Master includes both items in inventory as well as non-stock items. The Lawson software can determine the amount of a particular item available in BMH inventory. 16:20-24. The Lawson Item Master contains approximately 8,000 items. 17:4-6. Another reason BMH chose Lawson is because the user interface for the procurement software, and for RSS in particular, almost mirrors an Internet-based shopping cart, making it easier for BMH employees to use. 18:20-19:7.

The RSS, as configured and used at BMH, allows a user at Blount to generate one or more purchase orders from a single requisition. 19:8-13. It also includes functionality that allows a user to select and search within the “search catalog” functionality for particular items based on item description or based on manufacturer item number. 19:14-22. Users at Blount can also search by purchasing class, inventory class, partial description of an item or by a manufacturer or a vendor number. 20:8-19. For example, there is a purchasing class called “CATH,” which

stands for catheter; similarly, “URO” stands for urology items. Thus, users can search by category within RSS, and a search for “CATH” will result in generally equivalent catheters as search results, including catheters that are available from different vendors. 23:3-22; 31:11-13; 31:18-32:20. Further, a user can create one requisition with two equivalent catheters and can then generate one or more purchase orders from that single requisition. *Id.* Similarly, a user at BMH can create a requisition for multiple non-stock items that are generally equivalent yet come from different vendors and create purchase orders from that requisition. *Id.*; 35:12-15; 35:18; 54:18-24.

To generate a purchase order from a requisition, a BMH user of RSS would open up RSS, select the “shopping” tab, go to “search catalog,” search for an item or class of items, select a result from the list of search results, select a quantity for that item, and then click on the “add” button which would add the item to the shopping cart. Once the user selected all items he/she wanted, the user would hit “checkout.” Depending on the user’s approval level, the requisition would either go to a supervisor for approval or it would go straight to the purchasing department. The BMH system is set up to automatically generate requisitions into purchase orders several times a day.

RSS, as installed and implemented at BMH, also includes the functional capability for toggling between primary and secondary vendors for an item. That means that if BMH users usually obtained a certain catheter from one vendor, it could also set up a secondary vendor for that item in RSS. If the particular item was set up in that fashion, a user at BMH could choose to either select the catheter from the primary or secondary vendor. 55:14-56:12.

Lawson assisted BMH in implementing the Lawson procurement software by providing a template spreadsheet with the fields that Lawson would require. 23:23-24:13. Initially, Lawson provided BMH with a template spreadsheet with the fields that Lawson would require, and then BMH built up its items within this spreadsheet. *Id.* BMH provided the spreadsheet to a Lawson consultant, Katrina Rice, who was on-site at BMH during parts of the seven-month implementation phase. 24:7-25:5. Ms. Rice loaded all of BMH’s inventory and non-inventory items, and all associated item data, into the BMH Item Master for the Lawson procurement system at BMH. 27:4-28:4. This process lasted from July 2008 through November 2008. By November 14, 2008, Ms. Rice completed the process of loading to the BMH Item Master all of the BMH item data. During this process, Ms. Rice also trouble-shot any problems involved in loading information to the Item Master. Ms. Rice worked with Ms. Oliver and others at BMH to resolve issues Ms. Rice encountered in creating the BMH Item Master to populate and build the Item Master. 62:9-73:16.

At the time the BMH procurement system went live on January 1, 2009, all of the information in the BMH Item Master had been loaded by Ms. Rice, a Lawson employee, for BMH. 27:25-28:4. Each item in the version of the Item Master that was on the system when it went live on January 1, 2009 included a category associated with the item. Items within each particular category were generally equivalent to each other. 31:2-4. Ms. Rice also assisted BMH in adding in a couple purchase order vendor agreement contracts to the procurement system before it went live. 48:21-49:10; 138:4-25. Once loaded, information within the purchase order vendor agreement contracts associated with each item was automatically pulled into the Item Master. 47:22-48:20.

Ms. Rice also provided assistance in developing templates used by BMH in conjunction with the procurement system; answering BMH questions regarding the data necessary to make the Item Master accurate; training BMH personnel in how to use the procurement software; and in testing the procurement software at BMH, including by providing BMH with test scripts so that BMH could set up a test procurement software system and so that BMH could be trained using the Lawson test scripts. 25:6-26:16. The test scripts provided by Lawson to BMH included scripts on how to search within RSS and how to generate purchase orders and scripts on how to add a new item to the Item Master. 26:9-16. Ms. Rice trained BMH employees on the test scripts including the scripts concerning creating requisitions using RSS and the script on how to add a new item to the Item Master. 46:20-47:4; 49:11-25.

In addition to licensing software from Lawson, BMH also signed a contract agreeing to pay Lawson for maintenance for the procurement software. This maintenance includes technical support; Lawson will log-in to BMH's servers and load patches and also assist in solving problems that BMH may have with the procurement software. 38:13-25.

Ms. Rice proceeded to provide a demonstration of the Lawson procurement software purchased and used by BMH. The demonstration will be shown if necessary. 93:11-125:19.

CERTIFICATE OF SERVICE

I hereby certify that on the 11th day of August, 2010, I will electronically file the foregoing

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with the Clerk of Court using the CM/ECF system which will then send a notification of such filing (NEF) via email to the following:

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